



RANCHERS EXPLORATION AND DEVELOPMENT CORPORATION

Box 6217 / 1776 Montano Road, N.W. / Albuquerque, New Mexico 87107 / Telephone (505) 344-3542

August 29, 1978

*Jack or Row,
I feel you should
respond!
JMR*

Mr. K. Michael Thompson
Reclamation Hydrologist
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Re: Commitment to changes and additions to the General Rules and
Regulations dated March 22, 1978

Dear Mr. Thompson:

In reference to your letter of June 15, 1978, please be advised that we can determine no requirement under Utah laws nor under the board's rules and regulations that we sign the commitment to Rule M-10, as amended. We have long ago filed a reclamation plan and we are bound by it. We are powerless to control the board's changes in its own rules. We are further bound by whatever the law and lawfully promulgated rules and regulations may contain, and therefore we are at a loss to understand why the requested commitment is being required by your board. We feel it is completely redundant and of no benefit to anyone.

We hesitate to be contentious, but as businessmen we cannot sign contracts without being required to do so or without a benefit flowing to our company. Accordingly, unless the board can provide us with clear evidence of an obligation on our part to return the commitment, we believe it is unnecessary surplusage.

We would appreciate any thoughts you have on our position. If you have any questions, please do not hesitate to contact me at the above letterhead address.

Very truly yours,

James M. Rosel
James M. Rosel
Attorney at Law

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